

Smith

PREPARED BY:  
DATE PREPARED:  
PHONE:

Liz Hruska  
February 14, 2011  
471-0053

LB 177

Revision: 00

# FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2011-12		FY 2012-13	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	See below		See below	

\*Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

This bill provides for the notification of relatives of children removed from their homes, reasonable efforts for joint-sibling foster care placements or visitation and written independent living transition plans

The intent of this bill is to conform Nebraska law to provisions and requirements contained within the federal Fostering Connections to Success and Increasing Adoptions Act of 2008. As the bill mirrors federal law there should not be a fiscal impact. However, the definition in the bill for kinship guardianship in Section 12 (5) appears to require licensing of kinship guardians after the guardianship has been granted. Currently there is no licensing requirement. If the intent is to license guardians, there would be a fiscal impact. Licensing specialists would need to be added. The cost would be \$451,064 (\$383,414 GF and \$67,650 F) in FY 12 and \$405,334 (\$344,384 GF and \$60,950 F) in FY13. If the intent is to continue current practice, there would not be a fiscal impact.

DEPARTMENT OF ADMINISTRATIVE SERVICES

REVIEWED BY	Elton Larson	DATE	2/15/11	PHONE	471-2526
COMMENTS					
DEPARTMENT OF HEALTH AND HUMAN SERVICES: Agency estimates appear reasonable. SUPREME COURT: No basis to disagree with agency analysis.					

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LEGISLATIVE FISCAL

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ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

State Agency or Political Subdivision Name: (2) Department of Health and Human Services

Prepared by: (3) Willard Bouwens

Date Prepared: (4) February 14, 2011

Phone: (5) 471-8072

	FY 2011-2012		FY 2012-2013	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$436,135		\$392,109	
CASH FUNDS				
FEDERAL FUNDS	\$71,002		\$63,832	
OTHER FUNDS				
TOTAL FUNDS	\$507,157	\$0	\$455,941	\$0

Return by date specified or 72 hours prior to public hearing, whichever is earlier.

Explanation of Estimate:

There are some issues surrounding the bill that will cause a fiscal impact to DHHS. Primarily this would result from additional staffing although there could also be additional undeterminable costs involved. These issues are:

- Involvement of DHHS attorneys and staff in legal battles regarding sibling placements, visits, and contacts, due to filings by siblings, their guardians, etc.
- Licensure requirements for foster homes with kinship guardianships.
- Loss of relative foster homes if they are required to be licensed, resulting in the need to recruit, train, and license additional non-relative foster homes.
- If the issue regarding legal status of kinship guardianships is not resolved, it appears that DHHS might have to retain a long-term role, at least for licensing, with relatives who assume guardianship of wards.

An attorney representing DHHS would have to be present at hearings regarding sibling placements, visits, and contacts when the sibling, guardian, or another person disagrees with DHHS' plan. This will increase the number of hearings requiring involvement of DHHS attorneys. Also, it is anticipated that the hearings related to these petitions or motions will be extensive and, time-consuming. It is estimated that the time and effort required would require the addition of one half-time (0.5 FTE) attorney within the Legal Division. The estimated cost for this additional position would be \$56,093 for the first year and \$49,607 for the second year.

The licensure requirements for relative guardianships will require additional licensing staff across the state, since these persons are not currently licensed, and current child welfare contracts do not require that the lead contractors perform licensing agent work related to them. It is estimated that out of the estimated 1,100 annual subsidized guardianships that exist at any point in time, half of those (550) would be with relatives. To do the licensing for this group of 550 foster parents it is estimated that DHHS would need seven (7) additional staff to carry out the licensing functions. The staffing estimate assumes that DHHS staff would provide pre-service and ongoing training for foster parents. If DHHS staff do not do the pre-service or ongoing training and have to contract out those functions, there would be additional cost. The estimated cost for these additional positions would be \$440,614 for the first year and \$395,884 for the second year.

There would also be the cost of National Criminal History Checks. Assuming that one half of the licensed group (275) would require a check each year (because foster care licenses must be renewed every two years), the estimated annual cost based on the current history check cost of \$38 would be \$10,450 per year.

The estimate does not include possible additional costs for recruitment, training, licensing, etc. for foster parents to replace the relatives that would no longer be available as foster parents.

The estimated minimum fiscal impact to the Department of Health and Human Services would be \$507,157 (\$436,155 GF, \$71,002 FF) for SFY11-12 and \$455,941 (\$392,109 GF, \$63,832 FF) for SFY12-13.

MAJOR OBJECTS OF EXPENDITURE				
PERSONAL SERVICES:				
POSITION TITLE	NUMBER OF POSITIONS		2011-2012	2012-2013
	11-12	12-13	EXPENDITURES	EXPENDITURES
Attorney III	.5	.5	\$30,431	\$30,431
DHHS Community Resource Development Specialist	7	7	\$233,149	\$233,149
Benefits.....			\$105,432	\$105,432
Operating (Including Criminal History Checks, \$10,450).....			\$77,884	\$76,428
Travel.....			\$10,500	\$10,500
Capital Outlay.....				
Aid.....				
Capital Improvements.....				
<b>TOTAL.....</b>			<b>\$507,157</b>	<b>\$455,941</b>

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LB<sup>(1)</sup> 177 FISCAL NOTE

LEGISLATIVE

State Agency OR Political Subdivision Name: <sup>(2)</sup> Supreme Court

Prepared by: <sup>(3)</sup> Eric Asboe Date Prepared: <sup>(4)</sup> 2/8/11 Phone: <sup>(5)</sup> 1-4138

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2011-2012		FY 2012-2013	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Return by date specified or 72 hours prior to public hearing, whichever is earlier.

**Explanation of Estimate:**

LB 177 relates to foster care and outlines duties for the court such as periodic review and evaluation of joint-sibling placement and sibling visitation. Although judicial workload may increase as a result of such duties, any increase is not estimated to be significant.

MAJOR OBJECTS OF EXPENDITURE

**Personal Services:**

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2011-2012 EXPENDITURES</u>	<u>2012-2013 EXPENDITURES</u>
	<u>11-12</u>	<u>12-13</u>		
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____